

**Subject to Legal Review for Accuracy, Clarity, and Consistency**  
**Subject to Authentication of English and Spanish Versions**  
**Draft 31 January 2006**

**Annex 2.18**

**Agricultural Safeguard Measures**

**General Notes**

1. For each good listed in a Party's Schedule to this Annex for which the agricultural safeguard trigger level is set out in that Schedule as a percentage of the applicable tariff-rate quota (TRQ), the trigger level in any year shall be determined by multiplying the in-quota quantity for that good for that year, as set out in Appendix I to the Party's Schedule to Annex 2.3 (Tariff Elimination), by the applicable percentage.
  
2. For purposes of this Annex, **prime and choice beef** shall mean prime and choice grades of beef as defined in the United States Standards for Grades of Carcass Beef, promulgated pursuant to the *Agricultural Marketing Act of 1946* (7 U.S.C. §§ 1621-1627), as amended.

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**Schedule of Peru**

*Subject Goods and Trigger Levels*

1. For purposes of paragraphs 1 and 2 of Article 2.18 (Agricultural Safeguard Measures), United States goods that may be subject to an agricultural safeguard measure and the trigger level for each such good are set out below:

<b>Good</b>	<b>Tariff Classification</b>	<b>Trigger Level</b>
Standard Quality Beef	02013000B, 02022000B, 02023000B	150% of TRQ
Chicken Leg Quarters (bone in)	02071300A, 02071400A, 16023200A	130% of TRQ
Rice	10061090, 10062000, 10063000, 10064000	130% of TRQ
Milk Powder	04021010, 04021090, 04022111, 04022119, 04022191, 04022199, 04022911, 04022919, 04022991, 04022999, 04029110, 04029190, 04029910, 04029990	130% of TRQ
Butter and Dairy Spreads	04051000, 04052000, 04059020, 04059090	130% of TRQ
Cheese	04061000, 04062000, 04063000, 04064000, 04069010, 04069020, 04069030, 04069090	130% of TRQ

*Additional Import Duty*

2. For purposes of paragraph 3 of Article 2.18 (Agricultural Safeguard Measures), the additional import duty shall be:

- (a) For beef other than prime and choice beef (“standard quality beef”) as listed in this Schedule:
  - (i) in years one through four, less than or equal to 100 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination); and
  - (ii) in years five through 11, less than or equal to 50 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination).

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- (b) For chicken leg quarters as listed in this Schedule:
  - (i) in years one through ten, less than or equal to 100 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination); and
  - (ii) in years 11 through 16, less than or equal to 50 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination).
  
- (c) For rice as listed in this Schedule:
  - (i) in years one through six, less than or equal to 100 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination); and
  - (ii) in years seven through 16, less than or equal to 50 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination).
  
- (d) For milk powder and cheese as listed in this Schedule:
  - (i) in years one through 12, less than or equal to 100 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination); and
  - (ii) in years 13 through 16, less than or equal to 50 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination).
  
- (e) For butter and dairy spreads as listed in this Schedule:
  - (i) in years one through three, less than or equal to 100 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination); and
  - (ii) in years four through 14, less than or equal to 50 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in paragraph 2 of Appendix I to Peru's Schedule to Annex 2.3 (Tariff Elimination).

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**Schedule of the United States**

*Subject Goods and Trigger Levels*

1. For purposes of paragraphs 1 and 2 of Article 2.18 (Agricultural Safeguard Measures), Peru goods that may be subject to an agricultural safeguard measure and the trigger level for each such good are set out below:

<b>Good</b>	<b>Tariff Classification</b>	<b>Trigger Level</b>
Condensed and Evaporated Milk	04029170, 04029190, 04029945, 04029955	130% of TRQ
Cheese	04061008, 04061018, 04061028, 04061038, 04061048, 04061058, 04061068, 04061078, 04061088, 04062028, 04062033, 04062039, 04062048, 04062053, 04062063, 04062067, 04062071, 04062075, 04062079, 04062083, 04062087, 04062091, 04063018, 04063028, 04063038, 04063048, 04063053, 04063063, 04063067, 04063071, 04063075, 04063079, 04063083, 04063087, 04063091, 04064070, 04069012, 04069018, 04069032, 04069037, 04069042, 04069048, 04069054, 04069068, 04069074, 04069078, 04069084, 04069088, 04069092, 04069094, 04069097, 19019036	130% of TRQ

*Additional Import Duty*

2. For purposes of paragraph 3 of Article 2.18 (Agricultural Safeguard Measures), the additional import duty shall be:

- (a) For condensed and evaporated milk and cheese as listed in this Schedule:
  - (i) in years one through 12, less than or equal to 100 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in the Schedule of the United States to Annex 2.3 (Tariff Elimination); and
  - (ii) in years 13 through 16, less than or equal to 50 percent of the difference between the limit provided in Article 2.18.1 (Agricultural Safeguard Measures) and the applicable tariff rate provided in the Schedule of the United States to Annex 2.3 (Tariff Elimination).